

Introduced by Senator Liu

February 16, 2010

An act to add Section 85225 to the Education Code, relating to community colleges.

LEGISLATIVE COUNSEL'S DIGEST

SB 1059, as introduced, Liu. Community college districts: transfers between district funds.

Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in the state. Existing law establishes community college districts, administered by a governing board, throughout the state, and authorizes these districts to provide instruction to students at the community college campuses maintained by the districts. Existing law prescribes various fiscal management requirements for community college districts and authorizes temporary transfers to a community college district from a county school service fund, or from any funds of a county, under certain circumstances.

This bill would authorize the governing board of a community college district to temporarily transfer moneys in a fund or account of the district to another fund or account of the district for payment of obligations. The bill would require the governing board to repay the amount of the moneys temporarily transferred in the same fiscal year, or in the following fiscal year if the transfer occurs within the final 120 calendar days of the fiscal year. The bill would limit the amount transferred for these purposes to not more than 75% of the maximum amount held in the fund or account during the fiscal year.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 85225 is added to the Education Code,
2 to read:
3 85225. (a) The governing board of a community college district
4 may temporarily transfer moneys held in any fund or account of
5 the district to another fund or account of the district for payment
6 of obligations. The governing board shall account for the transfer
7 as temporary borrowing between funds or accounts. The transferred
8 moneys shall not be available for appropriation or be considered
9 income to the borrowing fund or account.
10 (b) The governing board shall repay amounts transferred
11 pursuant to this section either in the same fiscal year, or in the
12 following fiscal year if the transfer takes place within the final 120
13 calendar days of a fiscal year.
14 (c) The governing board may transfer moneys pursuant to this
15 section only if the fund or account receiving the money will earn
16 sufficient income, during the current fiscal year, to repay the
17 amount transferred.
18 (d) The governing board may transfer not more than 75 percent
19 of the maximum amount of moneys held in a fund or account
20 during the current fiscal year pursuant to this section.